

**LEMON GROVE CITY COUNCIL  
AGENDA ITEM SUMMARY**

**Item No.** 6  
**Mtg. Date** February 17, 2015  
**Dept.** Public Works

**Item Title:** San Diego Pooled Insurance Program Authority (SANDPIPA)

**Staff Contact:** Mike James, Public Works Director

**Recommendation:**

Ratify the notice of intent letter to withdraw and direct staff to seek cost estimates for other risk financing options.

**Item Summary:**

Lemon Grove is one of twelve cities in the County that is a member of the San Diego Pooled Insurance Program Authority (SANDPIPA). The other eleven cities include Chula Vista, Coronado, Del Mar, Encinitas, Escondido, Imperial Beach, National City, Oceanside, Santee, Solana Beach and Vista.

SANDPIPA is a joint power authority (JPA) that was created to provide a funding mechanism to cover catastrophic losses of each member with a stable and equitable allocation/distribution of member contributions. The mission of SANDPIPA is to provide cost effective risk financing and insurance programs, comprehensive risk management support services, and a forum for sharing expertise and experience.

Last year, Ms. Laura Seiler, the General Manager of the SANDPIPA, announced that she plans to retire in June 2016 after 23 years of service as SANDPIPA's General Manager. With Ms. Seiler's retirement, other member cities have expressed an interest in exploring other risk financing options that may better suit their needs, which may include the dissolution of SANDPIPA. In order for the City to open a dialogue with other providers for risk financing options, a notice of intent to withdraw is required to be filed at least six months before the next fiscal year. On December 23, 2014, staff issued a letter to SANDPIPA's General Manager notifying that the City is considering other risk financing options that may better suit the needs of the City.

Staff recommends that the City Council ratifies the notice of intent to withdraw (**Attachment A**) and directs staff to seek cost estimates for other risk financing options.

**Fiscal Impact:**

None.

**Environmental Review:**

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Not subject to review        | <input type="checkbox"/> Negative Declaration           |
| <input type="checkbox"/> Categorical Exemption, Section [      ] | <input type="checkbox"/> Mitigated Negative Declaration |

**Public Information:**

- |  |   |   |
|--|---|---|
| <input checked="" type="checkbox"/> None                     | <input type="checkbox"/> Newsletter article   | <input type="checkbox"/> Notice to property owners within 300 ft. |
| <input type="checkbox"/> Notice published in local newspaper | <input type="checkbox"/> Neighborhood meeting |   |

**Attachments:**

A. Notice of Intent to Withdrawal





## CITY OF LEMON GROVE

"Best Climate On Earth"

Office of the City Manager

December 23, 2014

Laura Seiler, General Manager  
San Diego Pooled Insurance Program Authority  
1237 Bear Valley Parkway  
Escondido, CA 92027

Re: City of Lemon Grove — Notice of Intent to Withdraw (July 1, 2015)

Dear Ms. Seiler:

Pursuant to Article 22 of the San Diego Pooled Insurance Program Authority (SANDPIPA) JPA, the City of Lemon Grove submits this letter of intent to withdraw from SANDPIPA as of July 1, 2015.

Between now and that time, the City will be exploring the risk financing options available to it to determine whether SANDPIPA is the most prudent risk financing option for the City.

The City will notify you of its decision as soon as it has been made, but no later than July 1, 2015.

Sincerely,

Graham Mitchell  
City Manager

3232 Main Street Lemon Grove California 91945-1705

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